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Office Memorandum • UNITED STATES GOVERNMENT

TO : Assistant Deputy Director (Administration) DATE
FROM : Special Assistant to Deputy Director (Administration)
SUBJECT: House Public Works Committee Hearings on Dispersal

1. On Monday and Tuesday, February 5 and 6, 1951, sub-committee of the House Federal Works Committee has been conducting open hearings on the general dispersal and decentralization plan.

2. The principal witnesses before the sub-committee have been:

- a. Roger Jones - Assistant Director, Bureau of the Budget
- b. Ramsey W. Potts - Special Assistant to the Chairman, National Security Resources Board
- c. W. E. Reynolds - Commissioner, Public Buildings Services, GSA
- d. Major General William A. Schmidt - Chairman, Department of Defense Decentralization Board
- e. John Nolen, Jr. - Planning Director, National Capital Park and Planning Commission

3. The following pertinent observations are apparent from the hearings:

a. It is noticeable that the dispersal bill as it now stands is not being accepted as favorably by the House Sub-committee as by the Senate Committee. Members of the House Sub-committee were skeptical about various phases and raised numerous questions. Among other things they questioned are:

1) Why the list of agencies tentatively proposed to be dispersed did not include top planning and administrative personnel.

2) Whether the 20 mile radius was sufficient in view of the articles they have been reading in the newspapers regarding the effect of the atom bomb tests in Nevada. [REDACTED]

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3) Why should we not increase decentralization of activities, or if we are to disperse why not disperse 700 or 1,000 miles away.

4) Was continuity of Government in case of an emergency the primary reason for advocating the dispersal plan or was the lack of sufficient space in Washington the most important factor.

b. It should be noted that for the first time in the various hearings the mention of CIA as an agency to be dispersed was made a matter of record. Both Mr. Potts and General ~~Shultz~~ mentioned CIA as such. However none of the recent newspaper articles on dispersal have mentioned our agency.

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5. The next hearing of the House Public Works Sub-committee on dispersal will be a closed session on Wednesday, 7 February 1951. The final open hearings are tentatively scheduled for Thursday, 8 February 1951.



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